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Mercantile Ports & Logistics Ltd
30 September 2019

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Mercantile Ports & Logistics Limited

("MPL", the "Group" or the "Company")

Interim Results

Mercantile Ports & Logistics (AIM: MPL), which is developing a modern port and logistics facility in Navi Mumbai, Maharashtra, India, announces its interim results for the period ended 30 June 2019.

Highlights during and post period:

- Deployment of monies raised in December to make facility operationally ready
- Official inauguration ceremony took place on 8 March, presided over by the Honourable Chief Minister of Maharashtra
- Secured £5.5 million contract with Tata projects Ltd and Daewoo Engineering
- Encouraging visibility on delivering further contracts wins, with the Company expecting meaningful revenues to be generated in the coming months

Nikhil Gandhi, Executive Chairman of MPL, commented: "I am delighted to report on a period of progress, following the inauguration of Karanja Port and the generation of first revenue from cargo movements. The strategic importance of Karanja Port has been demonstrated by the multi-year contract with Tata and Daewoo and we continue to see interest from numerous other parties to use our Facility.

"Currently, we are negotiating with, or in diligence and contracting phase with, at least two other major corporations to start using our facility during the course of 2019 and we have built a growing pipeline of potential customers. We look forward to contracting with more of the largest and most prestigious companies operating in the Sub Continent and delivering growth for our shareholders."

This announcement contains price sensitive information.

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Chairman's Statement

2019 has, so far, been a year of progress as our project develops and we build on what has been achieved to date. On 8 March, the Board of Directors and I were truly honoured when the Chief Minister of Maharashtra, Devendra Fadnavis, and other notable dignitaries, together with contracted and potential customers attended the inauguration of our Facility. This was a major milestone for the Company and enabled us to make it clear that our Facility is now open for business.

The other important milestone was the receipt of our first fee paying customer. Whilst this customer had already conducted trials at the Facility and the amount of cargo and resulting fee was small, it was a symbolic milestone and provided a platform from which we could negotiate contracts for meaningful volumes and revenue. We would have liked negotiations with that and other customers to have progressed more quickly but our business development team is performing strongly, with almost weekly site visits for potential customers.

On 9 September, we were delighted to announce the signing of our third customer contract, with Tata Project Limited and Daewoo Engineering, as these parties use our Facility to execute their workstreams for the construction of India's longest sea bridge, the Mumbai Trans Harbour Link, which has an estimated build cost of approximately $2.1 billion. This contract is expected to translate into revenue for the Company in excess of GBP 5.5 million over a 40-month period starting April 2020, with there being provisions in the contract for an extension of an additional 18 months. We believe that securing a contract with companies like Tata Projects and Daewoo is a further example of the attractive qualities of our site, in terms of logistics, fabrication and importantly enviable surrounding infrastructure to access the site.

Currently, we are negotiating with, or in diligence and contracting phase with, at least two other major corporations to start using our facility during the course of 2019 and we have built a growing pipeline of potential customers. Our team works closely with the senior management team of our major shareholder, Hunch Ventures, in seeking to win new business and it is pleasing that the relationship between Hunch Ventures and Mercantile Ports is a strong one and is strengthening further.

On site, since the start of the year, further work has been undertaken with regards to dredging the channel. In addition, ground improvement, security installations, installation of firefighting equipment and personnel, the build out of customs offices and IT implementation have all occurred at the site. The Facility enjoys full customs' approval and all other regulatory permissions needed to operate a port and logistics business and we look forward to meaningful revenues being generated this calendar year. The reclamation of land will continue this year and next, in parallel with the pipeline of new business coming on stream.

The successful fundraise we completed in 2018 allowed the Company to continue to build out the Facility and pursue customer acquisition without fear of being impacted by the banking difficulties in India. Whilst we have no need currently to further use our banking facility, I am pleased to report that the existing consortium of banks to Karanja Terminal Private Limited have been in advanced discussions with the Company about, once again, making available the existing banking facility to be drawn down. This does not change the Board's plans for MPL, but I believe that this is encouraging, as it demonstrates that the challenges faced by the banking system in India may be receding and this improving broader economic climate is a positive backdrop for customers intending to use our Facility. Importantly, it also demonstrates that these banks have confidence in our project and are happy to lend to it.

We believe that the re-election of Prime Minister Modi provides further support to the Company, as he and his government drive forward the Sagarmala initiative, which supports port-led development as a key driver of the Indian economy. MPL is proud to be an important contributor to the delivery of the Indian Prime Minister's flagship policy.

Around the time of the inauguration, we were delighted to host our Non-Executive Directors, our Nomad and both existing and potential institutional investors at the site. These visits have involved a tour of the site and meetings with our engineering team and also with contracted and potential customers, with a view to us demonstrating the work that has been completed and the opportunities available to the Company. We are always proud to show off our site and extend a warm invitation to any other interested parties.

Outlook

India is forecast to continue enjoying significant economic growth in the coming years and has been and will always be a global trading nation. We are confident that our Facility will benefit from this, growing in tandem with India's growth, and from being located in close proximity to the financial and industrial heartland of India. Whilst it has taken longer than we would have liked, the recent contract win with the Daewoo Tata JV does, we believe, demonstrate the opportunity that our Facility has to benefit from significant infrastructure projects being undertaken in the region. We continue to see interest from numerous parties in using our Facility and, whilst it has taken longer than originally anticipated, we look forward to contracting with more of the largest and most prestigious companies operating in the Sub Continent.

Nikhil Gandhi, Executive Chairman

Mercantile Ports & Logistics Limited 25th September 2019

FINANCIAL REVIEW

In December 2018 the Company raised an additional £29.82 million from Investors, giving us the security to address the general banking constraints in India.

The successful fundraise meant that the delay to the drawdown of the Company's banking facilities did not have an impact on the Group. During the last 6 month we have spent £5.6m of the cash raised across 3 main areas

1. On key project expenditure to enable the facility to be operational.

2. Servicing the debt on the current facility

3. Managing working capital.

As of 30 June 2019, MPL had cash resources of £15.7million including a £8.3m debtor in the form of an Escrow Account controlled by the Company's wholly owned subsidiary (31 Dec 2018: £21.4 m and 30 June 2018: £1.08m) and £20.78 million headroom in its existing credit facility (31 Dec 2018: £20.5m) (using INR/GBP exchange rate at 30 June 2019 of 87.35, 31 December 2018: 88.55 and 30 June 2018: 89.93). Given that the RBI approval from the Reserve Bank of India to transfer the placing proceeds of Hunch to the Company's bank account in Guernsey was taking longer than anticipated, the monies held in Escrow have transferred to a bank account of MPL wholly owned subsidiary, Karanja Terminal and Logistics Private Limited ("KTLPL"). The funds are now fully available to be deployed as needed and this £8.3 million is no longer a debtor.

During the summer monsoon and prior to meaningful revenues being generated, the Company managed its cash position prudently. Management are confident that they will be able to optimise MPL's capital structure in the next 12 months, including securing access to debt capital on better terms. The Company believes that it will achieve this based on the majority of construction risks having been eliminated and regulatory risks having been successfully dealt with. In addition, the Group has signed contracts with end users and a healthy pipeline of customers that have signalled to move from Memorandum of Understanding "MoU" to documentation stage.

During the period, a customer, with which the Company is in negotiations for a long term contract, successfully landed cargo and paid for this service. As explained on page 46 of the Company's 2018 Annual accounts, the current accounting policy on Property Plant and Equipment states that "Cost includes expenditures that are directly attributable to the acquisition of the asset and income directly related to testing the Facility is offset against the corresponding expenditure". Given that this cargo movement was not part of a larger contract, it has been possible for the revenues received in this instance to be netted against the ongoing construction cost and recognised as Property, Plant and Equipment on the balance sheet. Once trading revenue is generated, which is expected during this calendar year, this revenue and its related costs will be recognised in the comprehensive statement of Income.

Corporate Governance

From 28 September 2018, under the AIM Rules, the Company is required to comply with a recognised corporate governance code chosen by the Board. The Board recognises the importance of sound corporate governance and has adopted that the Quoted Companies Alliance ("QCA") Code.

An updated Statement of Compliance with the QCA Corporate Governance Code will be published on our website on the 26 September.

Andrew Henderson, CFO
Mercantile Ports & Logistics Limited, 25 September, 2019

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period ended 30 June 2019

	Note	6 months to 30 June 2019	6 months to 30 June 2018	Year to 31 Dec 2018
		£000	£000	£000
CONTINUING OPERATIONS				
Revenue		-	-	-
Administrative expenses		(1,899)	(1,711)	(3,296)
OPERATING LOSS		**(1,899)**	**(1,711)**	**(3,296)**
Finance income		**10**	12	13
Finance cost		**(125)**	-	-
NET FINANCING INCOME/(COST)		**(115)**	**12**	**13**
LOSS BEFORE TAX		**(2,014)**	**(1,699)**	**(3,283)**
Tax expense for the period / year		-	-	-
LOSS FOR THE PERIOD /YEAR FROM CONTINUNING OPRATION		**(2,014)**	**(1,699)**	**(3,283)**
Loss on closure of subsidiary operations		(44)	-	-
Tax expense of discontinued operations		-	-	-
LOSS FOR THE PERIOD/YEAR		**(2,058)**	**(1,699)**	**(3,283)**
Loss for the period / year attributable to:				
Non-controlling interest		(3)	(2)	(5)
Owners of the parent		(2,055)	(1,697)	(3,278)
Loss for the period / year		**(2,058)**	**(1,699)**	**(3,283)**
Other comprehensive income/(expense)				
Items that will not be reclassified to profit or(loss)				
Re-measurement of net defined benefit liability		**-**	6	4
Items that may be reclassified to profit or loss				
Exchange differences on translating foreign operations	4	**1,282**	(3,815)	(2,218)
Other comprehensive loss for the period / year		**1,282**	**(3,809)**	**(2,214)**
Total comprehensive loss for the period / year		**(776)**	**(5,508)**	**(5,497)**
Total comprehensive loss for the period / year attributable to:				
Non-controlling interest		**(3)**	(2)	(5)
Owners of the parent		**(773)**	(5,506)	(5,492)

	(776)	(5,508)	(5,497)
Loss per share (consolidated): Basic & Diluted, for the year/period attributable to ordinary equity holders (£)	(0.001)	(0.004)	(0.006)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2019

	Note	Period ended 30 June 2019	Period ended 30 June 2018	Year ended 31 Dec 2018
		£000	£000	£000
Assets				
Property, plant and equipment	7	**138,926**	127,094	131,257
Total non-current assets		**138,926**	**127,094**	**131,257**
Trade and other receivables		**27,938**	14,182	26,169
Cash and cash equivalents		**7,371**	1,084	13,113
Total current assets		**35,309**	**15,266**	**39,282**
Total assets		**174,235**	**142,360**	**170,539**
Equity				
Share capital and share premium		**134,627**	106,763	134,627
Retained earnings		**(5,783)**	(2,191)	(3,772)
Translation reserve		**(13,676)**	(16,555)	(14,958)
Equity attributable to owners of parent		**115,168**	**88,017**	**115,897**
Non-controlling interest		**8**	14	11
Total equity		**115,176**	**88,031**	**115,908**
Liabilities				
Non-current				
Borrowings		**34,302**	33,341	33,831
Employee benefit obligations		**26**	1	3
Trade and other payables		**2,591**	-	-
Non-current liabilities		**36,919**	**33,342**	**33,834**
Current				
Borrowings		**60**	55	59
Employee benefit obligations		**41**	54	58
Current tax liabilities		**7,339**	7,157	7,341
Trade and other payables		**14,700**	13,721	13,339
Current liabilities		**22,140**	**20,987**	**20,797**
Total liabilities		**59,059**	**54,329**	**54,631**
Total equity and liabilities		**174,235**	**142,360**	**170,539**

CONDENSED STATEMENT OF CASH FLOWS

for the period ended 30 June 2019

	Note	6 months to 30 June 2019	6 months to 30 June 2018	Year to 31 Dec 2018
		£000	£000	£000
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax		(2,058)	(1,699)	(3,283)
Adjustments including changes in working				

	Note			
capital	5	928	1,949	46
Net cash generated/used from operating activities		**(1,919)**	**250**	**(3,237)**
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of property, plant and equipment		(4,541)	(4,525)	(8,420)
Proceeds from sale of fixed asset		-	-	5
Finance income		2	7	13
Net cash used in investing activities		**(4,539)**	**(4,518)**	**(8,402)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Issue of share capital		-	-	19,552
Proceeds/ from borrowing		6	(17)	(44)
Net cash generated from / (used in) financing activities		**6**	**(17)**	**19,508**
Net change in cash and cash equivalents		**(5,663)**	**(4,285)**	**7,869**
Cash and cash equivalents, beginning of the period / year		13,113	5,423	5,423
Exchange differences on cash and cash equivalents		(79)	(54)	(179)
Cash and cash equivalents, end of the period / year		**7,371**	**1,084**	**13,113**

Note :

1) The adjustments and working capital movements have been combined in the above Statement of Cash Flows.

2) As at the 30.06.2019 & 31.12.2018 the company had cash resources of £15.7 Million and £21.4 million respectively including a £8.3m debtor in the form of a promissory note/bank guarantee from Hunch Ventures', as payment of the Subscription Price from India to the Company's bank account in Guernsey which requires the approval of the Reserve Bank of India ("RBI"), with the flow of funds happening following that approval. As announced on 29 March 2019, in order to ensure that there is no doubt about Hunch's commitment to the project, Hunch transferred £8.3 million to an Escrow Account controlled by the Company's wholly owned subsidiary. Since the 30 June 2019, given that the approval process from the RBI to transfer the funds to the Parent in Guernsey was taking longer than anticipated, the monies held in Escrow have been transferred to a bank account of MPL's wholly owned subsidiary, Karanja Terminal and Logistics Private Limited ("KTLPL"). These funds are now fully available to be used by KTLPL for the continued development of the Facility.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2019

	Stated Capital	Translation Reserve	Retained Earnings	Other Components of equity	Non-controlling Interest	Total Equity
	£000	£000	£000	£000	£000	£000
Balance at 1 January 2018	**106,763**	**(12,740)**	**(498)**	**--**	**16**	**93,541**
Issue of share capital	29,820	--	-	--	-	29,820
Share Issue cost	(1,956)	--	-	--	-	(1,956)
Transactions with owners	134,627	(12,740)	(498)	--	16	121,405
Loss for the year	--	--	(3,278)	--	(5)	(3,283)
Foreign currency translation differences for foreign operations	--	(2,218)	--	--	--	(2,218)
Re-measurement of net defined benefit liability	--	--	--	4	--	4
Re-measurement of net defined benefit liability transfer to retained earning	--	--	4	(4)	--	--
Total comprehensive income for the year	--	(2,218)	(3,274)	--	(5)	(5,497)
Balance at 31 December 2018	**134,627**	**(14,958)**	**(3,772)**	**--**	**11**	**115,908**
Balance at 1 January 2019	**134,627**	**(14,958)**	**(3,772)**	**--**	**11**	**115,908**
Issue of share capital	--	--	--	--	--	--
Transactions with owners	134,627	(14,958)	(3,772)	--	11	115,908
Loss for the year/Period	--	--	(2,055)	--	(3)	(2,058)
Loss on closure of subsidiary operations	--	--	44	--	--	44
Foreign currency translation differences for foreign operations	--	1,282	--	--	--	1,282

Total comprehensive income for the year	--	1,282	(2,011)	--	(3)	(732)
Balance at 30 June 2019	**134,627**	**(13,676)**	**(5,783)**	**--**	**8**	**115,176**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Reporting entity

Mercantile Ports & Logistics Limited (the "Company") was incorporated in Guernsey under the Companies (Guernsey) Law 2008 on 24 August 2010. The condensed interim consolidated financial statements of the Company for the period ended 30 June 2019 comprise the Company and its subsidiaries (together referred to as the "Group"). The Company has been established to develop, own and operate port and logistics facilities.

2. General information and basis of preparation

The condensed interim consolidated financial statements are for the 6 months' period ended 30 June 2019 and are not full year accounts. The condensed interim consolidated financial statements are prepared under AIM 18 guidance. They have been prepared on the historical cost basis. They do not include all of the information required in annual financial statements in accordance with IFRS. The condensed interim consolidated financial statements are not audited.

The condensed interim consolidated financial statements are presented in Great British Pounds Sterling (£), which is the functional currency of the parent company. The preparation of the condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these, condensed interim consolidated financial statements, the significant judgments made by management applying the Group's accounting policies and the key sources of estimation uncertainty are the same as those applied in the annual IFRS financial statements. "The Company is confident of its ability to raise further funds to meet cost overruns, project enhancements or working capital requirements. The Company's financing effort to date is considered sufficient to enable the Company to fund all aspects of its operations. As a result, the condensed interim consolidated financial statements have been prepared on a going concern basis."

The condensed interim consolidated financial statements have been approved for issue by the Board of Directors on 25th September, 2019.

3. Significant accounting policies

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Group's last annual financial statements for the year ended 31 December 2018. The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these interim financial statements.

New standards, amendments and interpretations to existing standards effective from January 1, 2019

IFRS 16 "Leases"

The Group has adopted the standard from January 1, 2019 without restating comparative amounts for the year 2018 as permitted by the simplified retrospective approach. In addition, the Group has applied the exceptions provided for short-term leases, including contracts with a term of less than twelve months after the application date and those relating to low-value assets.

Most of the lease contracts are operating leases where the Group is the lessee. Leased assets are mainly real estate assets.

Key assumptions that the Group is applying for implementing the standard are as follows:

Terms: For each contract, the Group reviewed the renewal and the early termination options within the term of the arrangement and determined, after taking into account all the relevant facts and circumstances, what would be the date at which the Group reasonably expects the contract to be terminated. For certain categories of leased assets, the Group assesses that there is no reasonably certain extension option, consequently the duration selected coincides with the first term of the lease contract. For real estate lease arrangements, the Group defines the reasonable end date of the contracts, while taking into account the renewal and early termination options stated in the agreements, in line with the asset's expected period of use.

Discount rates: The Group determined discount rates reflecting each subsidiary's specific credit risk, the currency of the contract and the weighted average maturity of the reimbursement of the lease liability. For the transition the incremental borrowing rate used is the rate applicable to the residual terms of the contracts.

For contracts previously classified as finance leases the Group has recognized the carrying amount of the right of use assets and lease liability at the date of initial application.

The reconciliation between operating lease commitments disclosed at December 31, 2018 and the lease liability recognized at IFRS 16 first application date is presented below:

Particular	**£000**
Operating lease commitments disclosed as at December 31, 2018	**8,375**
Present value adjustment using incremental borrowing rate of 8%	**(5,449)**
Lease liability at January 1, 2019	**2,926**
Of which are:	
Current lease liabilities	293
Non-current lease liabilities	2,633

Right-of-use assets include the following types of assets:

Particular	**30 June 2019 £000**	**1 January 2019 £000**
Land & building (Office premises)	2,820	2,926

The first time application of IFRS 16 affected mainly the following items in the statement of financial position on January 1, 2019:

Particular	31 Dec 2018 £000	Impact of adoption of IFRS 16	1 January 2019 £000
Property plant and equipment	131,257	2,926	134,183
Non-current financial liabilities	33,834	2,633	36,467
Current financial liabilities	20,797	293	21,090

IFRIC 23 "Uncertainty over income tax treatments"

IFRIC Interpretation 23 "Uncertainty over income tax treatments"clarifies the recognition and valuation principles applicable to incometax risks. These risks arise when there is uncertainty related to a tax position adopted by the Group that could be challenged by the tax administration.

This interpretation was adopted by the European Union inOctober 2018 and is applicable for financial years beginning onJanuary 1, 2019 and did not have any significant impact on the financial statements.

There are no other new standards, updates and interpretationspublished and effective whose impact could be significant for theGroup.

Improvements to IAS 19 - Plan Amendment, Curtailment or Settlement

The amendments relate to the measurement of pension obligations based on updated assumptions if plan amendment, curtailment or settlement occurs. After such an event, the past service cost as wellas any gains or losses on the basis of current actuarial assumptionsand a comparison of the resulting pension benefits must be calculated before and after the change. The periods before and after the plan amendment, curtailment or settlement are treated separately in subsequent measurement. The improvements were endorsed by the European Union on March 13, 2019. The group does not anticipate any effects from the improvements to IAS 19 in2019.

Amendments to IFRS 9 - Financial Assets with a Prepayment Feature with Negative Compensation

The amendments pertain to the relevant criteria for the classification of financial assets. Financial assets with a prepayment feature with negative compensation may be recognized under certain conditions at amortized cost or at fair value through other comprehensive income instead of at fair value through profit and loss. They have no effect on the group.

4. Comprehensive income

The comprehensive loss for the period is calculated after crediting a profit of £ 1.28 million, which arises on the retranslation of foreign operations to Great British Pounds Sterling (£), which is the functional currency of the Company and loss of £ 0.04 million on cessation of wholly owned subsidiary "Mercantile Ports (Netherlands) B.V." (INR/GBP exchange rate at 30 June 2019 of 87.34, 31 December 2018: 88.54 and 30 June 2018: 89.93 were used).

5. Cash flow adjustments and changes in working capital

The following non-cash flow adjustments and adjustments for changes in working capital have been made to profit before tax to arrive at operating cash flow:

	Period ended 30 Jun 2019 £000	Period ended 30 Jun 2018 £000	Year ended 31 Dec 2018 £000
Adjustments and changes in working capital			
Depreciation	142	36	71
Finance income	(2)	(7)	(13)
Re-measurement of net defined benefit liability	-	6	-
Unrealized exchange loss	-	-	1
Change in trade and other payables	2,080	5,160	3,714
Change in trade and other receivables	(1,292)	(3,246)	(3,727)
	928	**1,949**	**46**

6. Loan facility

Karanja Terminal & Logistics Private Limited (KTLPL), the Indian subsidiary has in place a rupee term loan of INR 480 crore (£54.95 million) for part financing the port facility. The rupee term loan was sanctioned by 4 Indian public sector banks and the loan agreement was executed on 28th February, 2014. On 29 September

2017 the terms of sanction was amended, extending the tenure of the loan for 13 years and 6 months with repayment commencing from the end of June 2020 which is as follow:

	Repayment amount	
Payment falling due	**INR in Crore**	**GBP in Million**
Within 1 year	-	-
1 to 5 year's	222.00	25.42
After 5 year's	258.00	29.53
Total	**480.00**	**54.95**

The rate of interest will be a floating rate linked to the Canara bank base rate (9.40%) with an additional spread of 375 basis points. The present composite rate of interest is 13.20%. The borrowings are secured by the hypothecation of the port facility and pledge of its shares as well as a personal guarantee by the chairman, Nikhil Gandhi. The carrying amount of the bank borrowing is considered to be a reasonable approximation of the fair value.

KTLPL has utilised the rupee term loan facility of INR 298.45 crore £ 34.17 million) as at 30 June 2019 (1 crore = 10 Million Rupees). (30 June 2018: INR 298.45 crore (£33.19 million)) as of the reporting date.

7. **Property, plant and equipment**

During the six months ended 30 June 2019, the Group progressed construction of the facility and the carrying amount at 30 June 2019 was £ 138.93 million (31 June 2018: £ 127.09 million). The amount of borrowing costs capitalised during the six months ended 30 June 2019 was £ 2.36 million (31 December 2018: £ 2.32 million). The weighted average rate used to determine the amount of borrowing costs during the period eligible for capitalisation was 13.20 %, which is the effective interest rate of the specific borrowing.

8. **Closure of subsidiary operation.**

During the period group has closed the wholly owned subsidiary i.e Mercantile Ports (Netherlands) B.V. with effect from 17^{th} May 2019. On the date of closure, the net worth of the company was £ (0.04) million which is charged to statement of comprehensive income.

9. **Trade Payable.**

During the period trade payable has significantly increased as compared with December 2018, the increase is mainly on account of adopting new IFRS 16 "Leases".

10. **Events subsequent to the reporting period.**

Since the 30 June 2019, given that the approval process from the RBI to transfer the funds to the Parent in Guernsey was taking longer than anticipated, the monies held in Escrow have been transferred to a bank account of MPL's wholly owned subsidiary, Karanja Terminal and Logistics Private Limited ("KTLPL"). These funds are now fully available to be used by KTLPL for the continued development of the Facility.